

Message Text

UNCLASSIFIED

PAGE 01 BONN 14726 01 OF 02 081756Z
ACTION EUR-12

INFO OCT-01 ISO-00 AID-05 CIAE-00 COME-00 EB-08 FRB-01
INR-07 NSAE-00 USIA-15 TRSE-00 XMB-04 OPIC-06
SP-02 LAB-04 SIL-01 OMB-01 CU-06 /073 W
-----016563 081922Z /50

R 081745Z SEP 77
FM AMEMBASSY BONN
TO SECSTATE WASHDC 1268
INFO AMCONSUL BREMEN
AMCONSUL DUSSELDORF
AMCONSUL HAMBURG
AMCONSUL FRANKFURT
AMCONSUL MUNICH
AMCONSUL STUTTGART
USMISSION USBERLIN
AMEMBASSY BERLIN
AMEMBASSY BRUSSELS
AMEMBASSY PARIS
AMEMBASSY LONDON
AMEMBASSY ROME

UNCLAS SECTION 01 OF 02 BONN 14726

USEEC

E.O. 11652: N/A
TAGS: ELAB, GW
SUBJECT: UNEMPLOYMENT REMAINS AT HIGH LEVEL

REF: (A) BONN 14409; (B) BONN 14334; (C) BONN 13082

SUMMARY: IN SPITE OF A SLIGHT DECLINE IN SEASONALLY
NON-ADJUSTED FIGURES DURING AUGUST, UNEMPLOYMENT RE-
MAINS AT A HIGH LEVEL AND FOR THE THIRD MONTH IN A ROW
WAS ABOVE LAST YEAR'S FIGURE. SEASONALLY ADJUSTED
FIGURES REMAINED ALMOST STABLE, WITH AN INSIGNIFICANT
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 BONN 14726 01 OF 02 081756Z

DECLINE FROM 1,053,000 TO 1,052,000. END SUMMARY.

1. AN OVERALL REVIEW OF THE UNEMPLOYMENT PICTURE
FOLLOWS (ALL TOTALS IN THOUSANDS, ALL RATES IN PER-
CENTAGES):

UNEMPLOYMENT	COMPARISONS
--------------	-------------

AUGUST 77		JULY 77		AUGUST 76	
TOTAL	RATE	TOTAL	RATE	TOTAL	RATE

SEAS. ADJ.	1,052		1,053		1,040
NON-SEAS.	963.5	4.3	972.6	4.3	939.5 4.1
ADJ.					
MEN	453.3	3.2	465.0	3.3	465.3 3.2
WOMEN	510.2	6.0	507.7	5.0	474.2 5.6
TABLE (CONT'D)					
REG. JOB	254.5		256.7		263.8
OPENINGS					
PART TIME	94.7		210.2		65.6
WORKERS					
FOREIGN	76.7	3.9	74.8	3.7	77.3 3.7
WORKERS					
YOUTH	101.6	4.8	96.4	4.5	95.2 4.3
(UNDER 20)					

2. THE FEDERAL EMPLOYMENT SERVICE COMMENTS THAT THE LABOR MARKET SITUATION IN AUGUST WAS MARKED BY TWO CONTRADICTIONARY SEASONAL TENDENCIES: IN THOSE STATES WHERE THE SCHOOL YEAR ENDED IN AUGUST (WHICH IS A LATE DATE) SCHOOLLEAVERS REGISTERED AS UNEMPLOYED. IN STATES WITH AN END OF THE SCHOOL YEAR IN JUNE OR JULY, DEVELOPMENTS REFLECTED THE USUAL SEASONAL REVIVAL OF ECONOMIC ACTIVITY.

UNCLASSIFIED

PAGE 03 BONN 14726 01 OF 02 081756Z

TY WITH DECLINING UNEMPLOYMENT. VIEWED AS A WHOLE, THE ECONOMIC SLOWDOWN WHICH HAD BEEN OBSERVED IN RECENT MONTHS DID NOT SPREAD FURTHER. FOR THE THIRD CONSECUTIVE MONTH SINCE APRIL 1976, UNEMPLOYMENT (NON-ADJUSTED) WAS HIGHER THAN ONE YEAR EARLIER. THE NUMBER OF UNEMPLOYED FEMALES (510,200), WHICH INCREASED 2,500 DURING AUGUST, CONTINUED TO EXCEED THAT OF MALES (453,300), WHICH DECLINED 11,700.

3. SEASONALLY ADJUSTED UNEMPLOYMENT DECLINED INSIGNIFICANTLY FROM 1,053,000 IN JULY TO 1,052,000 IN AUGUST, BUT THE FEDERAL EMPLOYMENT SERVICE MADE AN UPWARD ADJUSTMENT OF PAST FIGURES GOING BACK TO FEBRUARY 1977. THE AUGUST FIGURE WAS 12,000 HIGHER THAN ONE YEAR EARLIER.

4. GEOGRAPHICALLY, UNEMPLOYMENT DEVELOPMENTS ALSO REFLECTED THE DIFFERENT SCHOOL VACATION PERIODS. BAVARIA WHERE SCHOOL VACATIONS BEGAN IN AUGUST REPORTED AN INCREASE IN UNEMPLOYMENT, WHILE THERE WAS A DECLINE IN LOWER-SAXONY-BREMEN, BADEN-WUERTTEMBERG AND NORTH RHINE-WESTPHALIA WHERE SCHOOL VACATIONS ARE OVER. BADEN-

WUERTTEMBERG AS BEFORE HAS THE LOWEST UNEMPLOYMENT RATE
WITH 2.7 PERCENT, FOLLOWED BY SOUTH BAVARIA WITH 3.4
PERCENT AND HESSE WITH 3.8 PERCENT. THE HIGHEST RATE

UNCLASSIFIED

NNN

UNCLASSIFIED

PAGE 01 BONN 14726 02 OF 02 081802Z
ACTION EUR-12

INFO OCT-01 ISO-00 AID-05 CIAE-00 COME-00 EB-08 FRB-01
INR-07 NSAE-00 USIA-15 TRSE-00 XMB-04 OPIC-06
SP-02 LAB-04 SIL-01 OMB-01 CU-06 /073 W
-----016622 081922Z /50

R 081745Z SEP 77
FM AMEMBASSY BONN
TO SECSTATE WASHDC 1269
INFO AMCONSUL BREMEN
AMCONSUL DUSSELDORF
AMCONSUL HAMBURG
AMCONSUL FRANKFURT
AMCONSUL MUNICH
AMCONSUL STUTTGART
USMISSION USBERLIN
AMEMBASSY BERLIN
AMEMBASSY BRUSSELS
AMEMBASSY PARIS
AMEMBASSY LONDON
AMEMBASSY ROME

UNCLAS SECTION 02 OF 02 BONN 14726

WAS REGISTERED AS BEFORE IN LOWER SAXONY-BREMEN WITH
5.1 PERCENT, FOLLOWED BY RHINELAND-PALATINATE-SAAR-
LAND WITH 5.0 PERCENT, AND NORTH RHINE-WESTPHALIA
WITH 5.0 PERCENT.

5. THE PRESIDENT OF THE FEDERAL EMPLOYMENT SERVICE,
JOSEF STINGL (CSU), POINTED OUT THAT THE ORIGINAL
GOVERNMENT GOAL TO REDUCE AVERAGE UNEMPLOYMENT IN 1977
BELOW THE 1 MILLION MARK COULD NOT BE REALIZED. IN
THE 8-MONTHS PERIOD JANUARY THROUGH AUGUST, UNEMPLOY-
MENT AVERAGED 1,057,000 OR 53,000 LESS THAN IN THE

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 BONN 14726 02 OF 02 081802Z

SAME PERIOD LAST YEAR. THE FEDERAL EMPLOYMENT SERVICE WHICH ADMINISTERS THE UNEMPLOYMENT INSURANCE FUND WAS FACING A DEFICIT OF DM 287 MILLION IN THE FIRST EIGHT MONTHS OF THIS FY (JANUARY THROUGH AUGUST), WHICH COMPARES WITH A DEFICIT OF DM 2.4 BILLION IN THE SAME PERIOD IN 1976. STINGL DENIED SPECULATIONS ON A SUPPLEMENTARY BUDGET AND BELIEVED THAT THE FEDERAL EMPLOYMENT SERVICE WOULD NOT HAVE TO RESORT TO GOVERNMENT SUBSIDIES THIS YEAR.

6. A SURVEY ON THE STRUCTURE OF UNEMPLOYMENT CONDUCTED BY THE FEDERAL EMPLOYMENT SERVICE LAST MAY SHOWED THAT OF THE TOTAL UNEMPLOYED, THERE WERE

49 PERCENT MALES
51 PERCENT FEMALES;

60 PERCENT BLUE COLLAR WORKERS
40 PERCENT SALARIED EMPLOYEES;

54 PERCENT WITHOUT COMPLETED VOCATIONAL EDUCATION
25 PERCENT PHYSICALLY HANDICAPPED
12 PERCENT 55 YEARS AND OLDER
9 PERCENT YOUTHS BELOW AGE 20
20 PERCENT EXCLUSIVELY INTERESTED IN PART-TIME JOBS
83 PERCENT NOT WILLING TO MOVE IF THEY WERE OFFERED A JOB OUTSIDE THEIR PRESENT PLACE OF RESIDENCE.

7. REACTION BY THE SPD/FDP COALITION PARTIES AND THE CDU/CSU OPPOSITION WAS SIMILAR TO THAT IN AUGUST (REF UNCLASSIFIED

UNCLASSIFIED

PAGE 03 BONN 14726 02 OF 02 081802Z

C), REFLECTING GROWING UNEASINESS AND CONCERN AND GENERATING CALLS FOR NEW GOVERNMENT INCENTIVES. THE VIEWS ON A CONCRETE PROGRAM WHICH WOULD INVOLVE TAX REDUCTIONS, HIGHER DEPRECIATION ALLOWANCES AND INCREASED GOVERNMENT SPENDING ARE STILL DIVIDED, PARTICULARLY BETWEEN COALITION AND OPPOSITION.

8. THE TRADE UNIONS ARE GETTING INCREASINGLY IMPATIENT OVER THE GOVERNMENT'S ALLEGED INACTIVITY.

THE DGB METALWORKERS UNION RECENTLY SPONSORED A MASS RALLY OF 10,000 WORKERS IN BREMEN TO DEMONSTRATE "AGAINST UNEMPLOYMENT AND FOR FULL EMPLOYMENT." THE DGB WILL HOLD A SERIES OF MASS MEETINGS UNDER THE SLOGAN "STOP YOUTH UNEMPLOYMENT" IN VARIOUS PLACES THROUGHOUT THE FRG DURING SEPTEMBER. THE PURPOSE IS TO MOBILIZE YOUTH FOR A CAMPAIGN FOR "THE RIGHT TO WORK AND TO VOCATIONAL EDUCATION", TO PROTEST AGAINST THE EXPLOITATION OF WORKING YOUTH, AND TO DENOUNCE INCREASING TENDENCIES BY MANAGEMENT TO VIOLATE EXISTING PROVISIONS ON THE PROTECTION OF WORKING YOUTH.

9. COMMENT: THE DGB CAMPAIGN REFLECTS GROWING PRESSURE BY TRADE UNION YOUTH FUNCTIONARIES ON THE DGB LEADERSHIP WHICH, IN THE VIEW OF THESE FUNCTIONARIES, HAS DONE TOO LITTLE TO ALERT THE GOVERNMENT AND THE PARLIAMENT TO THE PROBLEM OF GROWING YOUTH UNEMPLOYMENT AND THE SHORTAGE OF APPRENTICESHIPS. IT MUST ALSO BE VIEWED AGAINST THE BACKGROUND OF FORTHCOMING UNION CONVENTIONS IN SEPTEMBER AND OCTOBER AND THE DGB YOUTH CONFERENCE SCHEDULED FOR DECEMBER WHERE UNION LEADERSHIPS MAY EXPECT CRITICISM BY THE DELEGATES FOR THEIR POLICY OF COMPLIANCE WITH THE GOVERNMENT AND DE FACTO ENDORSEMENT OF THE FREE ENTERPRISE SYSTEM.

MEEHAN

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: UNEMPLOYMENT, DATA, REPORTS, LABOR FORCE
Control Number: n/a
Copy: SINGLE
Sent Date: 08-Sep-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01-Jan-1960 12:00:00 am
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977BONN14726
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770325-0960
Format: TEL
From: BONN
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770988/aaaacvxb.tel
Line Count: 249
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 6a7baa4a-c288-dd11-92da-001cc4696bcc
Office: ACTION EUR
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 5
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: 77 BONN 14409, 77 BONN 14334, 77 BONN 13082
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 06-Dec-2004 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1353317
Secure: OPEN
Status: NATIVE
Subject: UNEMPLOYMENT REMAINS AT HIGH LEVEL
TAGS: ELAB, GE
To: STATE USEEC
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/6a7baa4a-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009